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Entrepreneurial Behaviour of Agripreneurs in Agro Food Parks

Rin Rose Antony¹ and Allan Thomas²

ABSTRACT

The study was conducted in Agro Food Parks (AFPs) of Kerala, to analyse the entrepreneurial behaviour of agripreneurs in AFPs. A sample of 80 respondents was randomly selected from the four functional AFPs. Ex-post facto research design was employed for the study. It was observed that about 66 per cent of the respondents had medium entrepreneurial behaviour. The results of correlation analysis revealed that the entrepreneurial behaviour was positively and significantly related with education, cosmopolitaness, market perception, management orientation, extension orientation, group cohesion, environmental orientation, problem solving ability, credit orientation and economic motivation.

Keywords: Entrepreneurship, Behaviour; Agripreneurs; Agro Food Parks; Credit, Socio-economic behaviour; Kerala

INTRODUCTION

India is an agrarian economy with 61.50 per cent of its population depending on agriculture to earn their livelihood (Agricultural Census of India, 2011). Agriculture accounted for 23% of GDP in the country and employed 59% of the country's total workforce in 2016 according to the report of FAO (2017). In order to bring prosperity to the sector and its stakeholders, agriculture has to practically transform to agribusiness. To boost entrepreneurship in agriculture, the Indian government has initiated the Food Park Scheme, which promotes the development of food processing industries on cluster based approach. Agro Food Parks (AFPs) are comprehensive industrial estates for food processing units

where the industries would have provision for common facilities (MOFPI, 2014). AFPs develop a synergy between two pillars of the economy-agriculture and industry. Considering the potential of food processing sector in India and the need for entrepreneurial development in this sector the present study was undertaken with the objective to assess the status of entrepreneurial behaviour of the agripreneurs in AFPs of Kerala and also to identify the relationship between socio-psychological variables and entrepreneurial behaviour of agripreneurs.

METHODOLOGY

Four functional AFPs in the state of Kerala were purposively selected based on the

¹ Department of Agricultural Extension, College of Agriculture, Vellayani, Thiruvananthapuram, Kerala-695522

² Krishi Vigyan Kendra, Ambalavayal, Wayanad, Kerala- 673593

variability of services they offer. They include Spices Park- Idukki, Seafood Park- Alappuzha, KINFRA Food Park- Ernakulam and KINFRA Food Park- Malappuram.

A total of 80 agripreneurs with 20 agripreneurs from each FPO were randomly selected for the study. A pretested, structured questionnaire was prepared and administered to the respondents and survey method was employed for data collection. *Ex-post facto* research design was adopted for the study. Independent variables viz., age, education, experience, cosmopolitaness, market perception, management orientation, extension orientation, group cohesion, environmental orientation, problem solving ability, organisational climate, credit orientation and economic motivation were selected based on judges rating.

The dependent variable of the study was entrepreneurial behaviour of agripreneurs in AFPs. The scale in a five point continuum developed by Wankhade et al. (2013) was used for assessing the entrepreneurial behaviour. It consists of 10 components viz., risk taking, hope of success, persuasibility, feedback

usage, self-confidence, knowledgeability, persistence, manageability, innovativeness and achievement motivation. Each component consists of 5 statements, hence making a total of 50 statements. All statements were ranked on a five point continuum. Scores varied from 50 to 250. All the scores were cumulated to find the total score of entrepreneurial behaviour. The respondents were categorised into low, medium and high category of entrepreneurial behaviour with mean and standard deviation as check. Also, the correlation coefficient between entrepreneurial behaviour and the socio-psychological characteristics of agripreneurs in AFPs were estimated using JMP (SAS institute) software.

FINDINGS AND DISCUSSION

Entrepreneurial behaviour was the dependent variable of the study. It is evident from Table 1 that 62.5 per cent of the agripreneurs belonged to medium level of entrepreneurial behaviour followed by 21.25 per cent of agripreneurs in low category and only 12.50 per cent of the respondents had high level of entrepreneurial behaviour.

Table 1.
Distribution of agripreneurs based on their Entrepreneurial Behaviour

(n=80)

Sl. No.	Category	Range of scores	Frequency	Percentage
1.	Low	< 161.44	17	21.25
2.	Medium	161.44-184.76	53	66.25
3.	High	>184.76	10	12.50
	Mean= 173.10; Standard deviation = 11.66; Standard Error= 1.30			

The socio-psychological characteristics of agripreneurs in AFPs were estimated and the data in Table 2 indicate that majority of the agripreneurs belonged to medium category of age, experience, cosmopoliteness, market perception, management orientation, extension orientation, group cohesion, problem solving ability, organisational climate, credit orientation and economic motivation. It also reveals that majority (58.75%) of the agripreneurs were middle aged *i.e.*, between 35 and 55 years. It is noted that none of the respondents were illiterate and about 66.25 per cent were graduates and above. The high

educational qualification of the respondents might be attributed to the high literacy rate and well established educational system in the state of Kerala. Over 72.50 per cent of respondents had an experience of 2-9 years in agripreneurial activities. Majority of the respondents had medium level of cosmopoliteness (70%) and medium to high level of market perception (77.5%). Agripreneurs in AFPs are associated with exporting of commodities and market led activities, hence exposing them more to the international market and the external environment. Majority of the respondents were in the medium category of problem

Table 2.
Personal, Social and Psychological Characteristics of Agripreneurs in the AFPs

(n=80)

Sl. No.	Independent Variables	Category			Statistical Measures
1.	Age	Young (< 35 years)	Middle aged (35-55 years)	Old aged (>55 years)	Mean=46.61 SD = 11.21 Range: 26-71
		13 (16.25)	47 (58.75)	20 (25.00)	
2.	Education	Middle	High school	Collegiate	Mean=12.49 SD = 1.81 Range: 6-14
		3 (11.25)	24 (72.50)	53 (66.25)	
3.	Experience	Low	Medium	High	Mean = 5.51 SD = 3.60 Range: 1-16
		9 (11.25)	58 (72.50)	13 (16.25)	
4.	Cosmopoliteness	Low	Medium	High	Mean=9.20 SD = 2.24 Range: 2-13
		11 (13.75)	56 (70.00)	13 (16.25)	
5.	Market perception	Low	Medium	High	Mean = 6.59 SD = 1.35 Range: 4-9
		18 (22.50)	40 (50.00)	22 (27.50)	

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Sl. No.	Independent Variables	Category			Statistical Measures
6.	Problem solving ability	Low	Medium	High	Mean = 30.73 SD = 2.62 Range: 24-36
		16 (20.00)	51 (63.75)	13 (16.25)	
7.	Management orientation	Low	Medium	High	Mean = 14.46 SD = 2.20 Range: 8-18
		16 (20.00)	51 (63.75)	13 (16.25)	
8.	Extension orientation	Low	Medium	High	Mean = 12.58 SD = 3.78 Range: 5-20
		13 (16.25)	56 (70.00)	11 (13.75)	
9.	Credit orientation	Low	Medium	High	Mean = 13.4 SD = 1.55 Range: 9-16
		10 (12.50)	50 (62.50)	20 (25.00)	
10.	Economic motivation	Low	Medium	High	Mean =3.93 SD = 0.95 Range: 2-6
		5 (6.25)	51 (63.75)	24 (30.00)	
11.	Group cohesion	Low	Medium	High	Mean = 5.21 SD = 1.42 Range: 2-8
		9 (11.25)	57 (71.25)	14 (17.50)	
12.	Organisational climate	Low	Medium	High	Mean = 23.16 SD = 2.58 Range: 16-32
		1 (1.25)	75 (93.75)	4 (5.00)	
13.	Environmental orientation	Low		High	Mean = 3.76 SD = 0.45 Range: 2-4
		17 (21.25)		63 (78.75)	

solving ability (63.75%), credit orientation (62.5%), economic motivation (63.75%), management orientation (63.75%), group cohesion (71.25%), extension orientation (70%) and organisational climate (93.75).

More than three-fourths (78.75%) of the respondents had high level of environmental orientation. This might be attributed to the environmental friendly attitude of the agripreneurs who ventured their enterprises in

Food Parks because of its sustainable nature. Also proper waste disposal mechanisms and effluent treatment plants are functional in all the four AFPs which clearly indicated the high environmental concern of Food Parks and its members.

Zero order correlation coefficient between entrepreneurial behaviour and the socio-psychological characteristics of agripreneurs in AFPs were estimated and the data in Table 3 reveal that out of thirteen independent variables, ten variables were significantly correlated to entrepreneurial behaviour, of which six variables namely, cosmopolitaness, market perception, problem solving ability, credit orientation, extension orientation and management orientation were positively correlated at 1% level of significance. Whereas, four variables viz., education, environmental orientation, group cohesion and economic motivation were positively and significantly correlated at 5% level of significance. Other variables like age, experience and organizational climate showed non-significant relationship with entrepreneurial behaviour of agripreneurs.

Cosmopolitaness caters to the agripreneur's information needs and resources from the very locality in which the enterprise exists. The results were in consonance with the findings of Choudhari (2007). Market perception enables the agripreneurs to identify the current market trends, marketing channels and other market information. Problem solving ability helps the agripreneurs to identify problems, analyse it and take

appropriate decisions that helps to nurture their business environment and similar results were reported by Raj (2018). Lack of awareness on savings, *credit* and subsidies can adversely affect the agripreneurs in terms of deriving sustainable profit and sustaining the agri business in the long run and this could be the reason for significant relationship between credit orientation and entrepreneurial behaviour. Credit orientation may play an important role in the adoption of agricultural innovations. Agripreneurs largely depend on the financial institutions for loans and other services to improve their business. Hence credit orientation is indispensable to enhance entrepreneurial behaviour. Extension orientation provides the agripreneurs information such as development initiatives which are relevant to their enterprise. Also contact with the extension personnel will help them to legitimize the decision regarding their enterprise and hence this variable becomes important. The result obtained was in conformity with the findings of Sofeghar (2017). Management orientation was significantly correlated as it enables the agripreneur to optimize the production with available resources through proper planning, production and marketing strategies.

Education, environmental orientation, group cohesion and economic motivation were positively and significantly correlated at 5% level of significance. Education being the solution for acquiring knowledge, it widens the mental horizon of agripreneurs making them more innovative, change prone and scientifically oriented and the results

Table 3.
Correlation between Entrepreneurial Behaviour and Profile Characteristics

Sl. No.	Profile characteristics	Correlation coefficient
1.	Age	-0.052 ^{NS}
2.	Education	0.225 [*]
3.	Experience	0.150 ^{NS}
4.	Cosmopolitaness	0.360 ^{**}
5.	Market perception	0.421 ^{**}
6.	Problem solving ability	0.551 ^{**}
7.	Credit orientation	0.488 [*]
8.	Environmental orientation	0.257 [*]
9.	Economic motivation	0.276 [*]
10.	Group cohesion	0.263 [*]
11.	Organizational climate	0.107 ^{NS}
12.	Management orientation	0.477 ^{**}
13.	Extension orientation	0.402 ^{**}

(** 1% Significant level, * 5% Significant level)

fall in line with the findings of Muleva et al. (2019). Environmental orientation was significant as perceived by the agripreneurs that enabled them to develop a sustainable business environment with support of the regional people. The Agro Food Park can raise their status of esteem through following environmental friendly measures addressing issues of externalities and thereby earn the confidence of the local people situated in and around the venue of Food Park. Group cohesion was felt significant by agripreneurs in this study too like that of Abubakar and Abubakar (2016) who reported that when agripreneurs are organised in groups, their overall entrepreneurial characteristics enhance. It is obvious that economic motivation could be significant because, if an agripreneur develops higher levels of

economic motivation, he strives hard to achieve it and also internalizes different aspects about managing enterprise to sustain the enterprise for a long run besides the motive for profit maximization. Hence, it is quite natural to expect a positive relationship between entrepreneurial behaviour and economic motivation.

CONCLUSION

The paper examined the underlying construct 'entrepreneurial behaviour' of agripreneurs in AFPs of Kerala. The study has clearly shown that majority of the agripreneurs had medium level of entrepreneurial behaviour. The correlation analysis indicated that variables such as cosmopolitaness, market perception, problem solving ability, credit orientation, extension orientation and

management orientation showed significant relationship with entrepreneurial behaviour at 1 per cent level of probability. Whereas, education, environmental orientation, group cohesion and economic motivations showed significant relationship with entrepreneurial behaviour at 5 per cent level of probability. Focus should be to contemplate over the right personal, social and psychological variables that can influence the entrepreneurial behaviour of the agripreneurs of AFPs. Therefore, efforts have to be taken to increase the level of entrepreneurial behaviour through intensive training and awareness programmes, demonstrations, venture visits and such extension interventions that would augment the motivation of agripreneurs for their socio-economic upliftment through scaling up of ventures through Agro Food Parks.

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